

General Fund Financial Plan  
Footnotes

- (a) The 2005 Actual column reflects actual amounts as reported in the 2005 Consolidated Annual Financial Report (CAFR).
- (b) Revenue estimates for 2005 - 2009 are based on the following assumptions. The percentages indicate the expected annual percent change over the prior year, except for interest earnings, which is stated as the projected annual rate of return.

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Property Tax (net of debt service)	Actuals	1.66%	3.44%	3.13%	2.84%
Sales Tax	Actuals	9.16%	1.57%	6.95%	4.50%
Interest Earnings	Actuals	4.70%	5.10%	5.30%	5.30%
All Other	Actuals	Individual Estimates	Individual Estimates	Individual Estimates	Individual Estimates

- (c) The debt service schedule for 2005 - 2009 is based on the following table:  
(in millions)

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Debt Service Elements					
Existing Debt Issues	19.021	19.032	18.447	16.98	16.97
KCCF: ISP/ITR/Jail Health				3.07	3.07
Parking Garage Tunnel & CH Lobby				0.45	0.45
Housing Initiatives: 2006 Budget				0.53	0.53
Technology Reserve				1.33	3.36
General Government Reserve				0.85	1.50
<b>Total Debt Service</b>	<b>19.021</b>	<b>19.032</b>	<b>18.447</b>	<b>23.20</b>	<b>25.88</b>

- (d) In the 2005 Adopted Budget, the former Criminal Justice Fund was consolidated into the Current Expense subfund. Those revenues and expenditures are shown separately in this financial plan. A reserve was created in the financial plan to hold unspent fund balance.
- (e) The General Fund financial plan assumes an underexpenditure rate of 2.00% of total expenditures. The 2007 Proposed Budget includes a 1.25% underexpenditure contra in CX operating and CX transfer budget. This will directly budget for assumed underexpenditure levels. A remaining central contra of .75% is being held in the General Fund financial plan, for a total assumption of 2.0% underexpenditure in many operating and CX transfer budgets. This the same policy as was enacted in prior budgets. A list of agencies exempt or partially exempt from the underexpenditure requirement is provided in footnote (n).
- (f) An amount equal to 25% of the additional .2% sales tax is set aside in the Sales Tax Reserve Fund until it reaches a threshold of \$15 million. This amount is set by County Code and is to be kept in reserve for emergency needs. The 2007 Budget assumes full use of the sales Tax Reserve collections (\$4.9 million) for major maintenance. The Reserve is held steady at \$15 million for 2006-07 by programming all of the excess collection to major maintenance activities during those years.
- (g) An amount equal to 25% of the additional .2% sales tax is set aside in the Children and Family Services Fund. This reserve also includes the Inmate Welfare and the former Criminal Justice fund balances.
- (h) Other Reserves include the following for each of the years (in millions):

	2005 Actual	2006 Adopted	2006 Estimated	2007 Adopted	2008 Projected	2009 Projected
<b>Accounting/Technical Reserves</b>						
CIP Carryover	(7.013)	0.000	0.000	0.000	0.000	0.000
Encumbrances	(7.545)	0.000	0.000	0.000	0.000	0.000
Reappropriation	(3.550)	0.000	0.000	(1.770)	0.000	0.000
Loans	(3.800)	(0.300)	(3.800)	(0.300)	(0.300)	(0.300)
Animal Control	(0.450)	(0.402)	(0.450)	(0.450)	(0.450)	(0.450)
Crime Victim Compensation Program	(0.268)	(0.117)	(0.268)			
Drug Enforcement Program	(0.100)	(0.039)	(0.100)	(0.100)	(0.100)	(0.100)
Anti-Profiteering Program	(0.295)	(0.393)	(0.295)	(0.100)	(0.100)	(0.100)
Dispute Resolution	(0.083)	(0.096)	(0.083)	(0.083)	(0.083)	(0.083)
Sheriff Laptop Replacement	(0.353)	(0.310)	(0.353)	(0.353)	(0.353)	(0.353)
Real Property Title Insurance	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Ex CJ Fund Balance	(5.342)	(1.860)	(1.842)	(0.660)	(0.660)	(0.660)
Designated for Net Unrealized Gains						
Total	(10.716)	(3.542)	(7.216)	(2.071)	(2.071)	(2.071)
<b>Obsolete Reserves</b>						
Jail Population	(2.000)	(2.000)	0.000	0.000	0.000	0.000
Andress	(3.360)	(2.000)	(0.250)	0.000	0.000	0.000
Legislative Reserve	(1.270)	(3.100)		0.000	0.000	0.000
2006 Elections Costs	(0.850)	(0.850)	(0.740)	0.000	0.000	0.000
Reserve for Outyear Deficits	(6.900)					
Total	(14.379)	(7.950)	(0.990)	0.000	0.000	0.000
<b>Policy Reserves Pending Further Review</b>						
Benefit Savings	(1.890)	0.000	0.000	0.000	0.000	0.000
Elections	(1.700)	(1.700)	(1.700)	(2.230)	(1.700)	(1.700)
GG CIP		(4.700)	(1.500)	(2.320)	(2.320)	(2.320)
Energy/Inflation Reserve	(4.000)	(3.500)	(0.800)	0.000	0.000	0.000
PSERS	(0.300)	(1.300)	(1.200)	(1.200)	(1.200)	(1.200)
LEOFF Medical	(2.862)	(2.862)	(2.000)	(2.000)	(2.000)	(2.000)
Risk Abatement	(6.800)	(7.578)	(6.800)	(6.000)	(6.000)	(6.000)
Pension	(8.292)	(8.292)	(8.292)	(5.592)	(0.468)	0.000
Total	(25.845)	(29.933)	(22.292)	(19.342)	(13.688)	(13.220)
Total	(50.940)	(41.424)	(30.498)	(21.413)	(15.759)	(15.291)

(i) 2006 Operating Expenditures

Adopted Budget	(527,535,430)
2005 Carryovers	(16,435,456)
Supplemental Activity	(14,754,392)
Total	(558,725,278)

(j) 2006 CIP/Other Contributions

2005 CIP Carryovers/corrections	(7,842,392)
Major Maintenance/Sales Tax Reserve	(9,022,646)
General Government CIP	(1,537,733)
OIRM CIP	(3,174,633)

Total (21,577,404)

(k) 2007 CIP/Other Contributions

Major Maintenance/Sales Tax Reserve	(9,744,458)
General Government CIP	(650,413)
OIRM CIP	(4,200,669)
Total	(14,595,540)

(l) Agencies exempt from 2.0% underexpenditure:

Agencies partially exempt:

Drug Enforcement Forfeits	Sheriff
Antiprofitteering	Prosecuting Attorney's Office
State Auditor	District Court
Special Programs	CX Transfers
Salary & Wage Contingency	Dept. of Adult and Juvenile Detention
Executive Contingency	Public Defense
Internal Support	
Finance - CX	

(m) Expenditure estimate for 2008 - 2009 are based on the following assumptions. The percentages indicate the expected annual percentage change over the previous year.

	2007	2008	2009
Labor	As Proposed	2.81%	2.83%
Benefits	As Proposed	9.50%	10.00%
Services/Other Charges	As Proposed	4.68%	4.68%
All Others	As Proposed	2.90%	2.60%



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